
WISCONSIN MEDICAID UPDATE

July 31, 1996

UPDATE 96-29

TO:
Institutes for Mental
Disease

IMD Crossover Claims from Medicare - Simplified Recoupment Method Effective September 1, 1996

Current Medicaid reimbursement policy regarding services for IMD residents

Federal law prohibits Wisconsin Medicaid from covering services to individuals 21-64 years of age who reside in Institutes for Mental Disease (IMD).

However, if the individual is a resident in the IMD on his/her 21st birthday, services may be reimbursed until the individual's discharge date or 22nd birthday, whichever comes first.

This policy applies to all Medicaid-covered services provided to IMD residents including professional services billed separately from the hospital claim e.g., psychiatrists and psychologists.

Federal law requires providers to bill Medicare first

When recipients have both Medicare and Medicaid coverage, federal and state law requires providers to bill Medicare first.

When providers bill Medicare, the claims automatically cross over to Wisconsin

Medicaid for payment of allowable costs, such as coinsurance, deductibles and Medicaid-covered services not covered by Medicare.

Crossover claims to Wisconsin Medicaid result in providers having to adjust claims

Generally, professional services in inpatient hospitals are separately allowable under Wisconsin Medicaid. However, Wisconsin Medicaid does not allow professional services in IMDs for individuals 21-64 years of age.

The Medicaid claims system is unable to distinguish IMD professional claims from allowable inpatient hospital professional claims as both are billed using a place of service indicator of "1". As a result, Wisconsin Medicaid automatically pays these claims.

HSS 106.04 (5), Wis. Admin. Code, requires providers to return any overpayments. Providers must make adjustments on crossover claims for IMD services to refund any inappropriate payments.

This policy also applies to claims billed directly to Wisconsin Medicaid

Providers may not bill Wisconsin Medicaid directly for professional services to individuals 21-64 years of age residing in IMDs. If providers submit claims for these services, Wisconsin Medicaid will adjust (recoup) the claims.

Wisconsin Medicaid will now make *some* adjustments for providers

When Wisconsin Medicaid will make adjustments

Effective October 1, 1996, we will make these adjustments *when* you let us know the billing provider numbers you use to submit these crossover claims. We then will identify the non-reimbursable crossover claims and initiate recoupments.

When Wisconsin Medicaid will not make adjustments

We will not make adjustments *if* you use the same billing provider number to bill professional services for inpatients in IMDs and general acute care hospitals.

If you do not provide the billing provider numbers you use for professional services to EDS or if you use the same billing provider numbers for inpatients in IMDs and general acute care hospitals, you must continue to make your own adjustments.

What to do if you want Wisconsin Medicaid to make these adjustments

Before Wisconsin Medicaid can initiate automatic adjustments, you need to identify all billing providers (e.g., physician groups, psychologist groups) which have been Medicaid-certified solely for the purpose of providing professional services to IMD recipients.

We need the following information for each billing provider:

1. Wisconsin Medicaid billing provider number
2. billing provider name
3. location of the billing provider
4. contact person's name

 Mail this information to:

Mental Health Systems Analyst
Division of Health
Bureau of Health Care Financing
P.O. Box 309
Madison, WI 53701

What's new...

Wisconsin Medicaid is in the Department of Health and Family Services (DHFS) formerly known as the Department of Health and Social Services.

If you happen to be out "surfing" the Internet and feel like visiting the DHFS Web site, you will find it at this address:

<http://www.dhfs.state.wi.us/>

POH 1520